

News Release

FOR IMMEDIATE RELEASE

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Hitachi Group Sets Long-Term Environmental Targets "Hitachi Environmental Innovation 2050"

U.K.:

Tokyo, September 5, 2016 --- Hitachi, Ltd. (TSE: 6501; "Hitachi") today announced its set of long-term environmental targets with a view towards 2050, called "Hitachi Environmental Innovation 2050". In "Hitachi Environmental Innovation 2050", under its "Environmental Vision" which sets forth a vision for the company through environmental management, Hitachi has set targets such as achieving 80% reductions in CO₂ emissions across the company's value chain by fiscal 2050 compared with fiscal 2010, achieving a 50% improvement in the efficiency of the use of water and other resources by fiscal 2050 compared with fiscal 2010, and minimizing the impact on natural capital; for building a low-carbon society, a resource efficient society, and a harmonized society with nature. Moving ahead, Hitachi will drive forward with initiatives towards the future achievement of these targets.

In recent years, the will for society to work towards the reduction of environmental burdens, and towards the resolution of global environmental issues in the long term, has been demonstrated by agreements such as the Paris Agreement adopted at the 2015 United Nations Climate Change Conference 21st Conference of the Parties to the United Nations Framework Convention on Climate Change, COP21, and the 2030 Agenda for Sustainable Development adopted by a United Nations. Additionally, because the Social Innovation Business that Hitachi is developing globally are long-term business operations relating to the construction of social infrastructure, a long-term environmental perspective is also essential in accelerating the development of these business operations.

In light of these developments, and from a long-term perspective, Hitachi believes that it is necessary to take steps to combat environmental issues such as climate change, depletion of resources and destruction of ecosystems; and has therefore established the "Hitachi Environmental Innovation 2050" as a set of long-term environmental targets to achieve by 2050.

The outline of "Hitachi Environmental Innovation 2050" is as follows.

Long-Term Environmental Targets: "Hitachi Environmental Innovation 2050"

"Hitachi Environmental Innovation 2050" is a set of targets for 2050 established under the "Environmental Vision" that "Hitachi will resolve environmental issues and achieve both a higher quality of life and a sustainable society through its Social Innovation Business in collaborative creation with its stakeholders", whereby Hitachi will aim to globally build a low-carbon society, a resource efficient society, and a harmonized society with nature.

1. Realization of a Low-Carbon Society

(1) Target

Achieve 50% reductions in CO₂ emissions by fiscal 2030, and 80% reductions by fiscal 2050 across the value chain compared to fiscal 2010

(2) Initiatives

CO₂ emissions at the "Use" stage of the product and solutions, which Hitachi delivers to customers, account for more than 90% of CO₂ emissions in the entire Hitachi value chain. To reduce emissions at this stage, Hitachi is adopting the following four action policies. Continuous efforts are also being made to reduce emissions at the "Production" stage.

- a) Move business structure to low-carbon model
- b) Develop innovative devices and materials that contribute to reduction of environmental burden
- c) Develop and provide super-efficient, energy-saving products and low-carbon energy
- d) Provide energy-conserving social system solutions through cooperative harmonization between systems, across a wider area, and in an integrated way

2. Realization of a Resource Efficient Society

(1) Target

Build a society that uses water and other resources efficiently and achieve a 50% improvement in usage efficiency of water and other resources by fiscal 2050 compared to fiscal 2010 in the Hitachi Group

(2) Initiatives

To maximize its contribution to the construction of a water and resource circulating society through its business operations, Hitachi will evolve a series of processes comprising of high-quality water production, purification, water supply and drainage and offer solutions to expand use of recycling. Further, it will create water resources through its global expansion of sea water desalination.

Moreover, Hitachi will also implement the following policy measures with the aim of achieving a 50% improvement in usage efficiency of water and other resources by fiscal 2050 compared to fiscal 2010.

- a) Promote efficient use of resources and reduction of waste by manufacturing resource-saving products with long service lives, and shifting towards servicing and sharing of businesses
- b) Promote recycling of resources through exhaustive product collection and recycling
- c) Reduce volume of water use and reinforce drainage purification and reuse in production processes in accordance with regional water risks

3. Realization of a Harmonized Society with Nature

(1) Target

Minimize the impact on natural capital

(2) Initiatives

Hitachi will evaluate the impact that its operations have on ecosystems at each stage of the value chain, and implement actions to minimize the environmental burden. More specifically, Hitachi will supply products and services that contribute to ecosystem conservation, including atmospheric/water purification systems and nature monitoring systems, and promote environmentally conscious procurement activities. Hitachi will also seek to minimize environmental burden at factories and offices, such as by paying care and consideration to scarce species on factory grounds and managing the volume, quality and temperature of drainage water and exhaust gas emissions.

About Hitachi, Ltd.

Hitachi, Ltd. (TSE: 6501), headquartered in Tokyo, Japan, delivers innovations that answer society's challenges. The company's consolidated revenues for fiscal 2015 (ended March 31, 2016) totaled 10,034.3 billion yen (\$88.8 billion). The Hitachi Group is a global leader in the Social Innovation Business, and it has approximately 335,000 employees worldwide. Through collaborative creation, Hitachi is providing solutions to customers in a broad range of sectors, including Power / Energy, Industry / Distribution / Water, Urban Development, and Finance / Government & Public / Healthcare. For more information on Hitachi, please visit the company's website at http://www.hitachi.com.